

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re: _____X

Chapter 11

Columbia Organic Holdings LLC,

Debtor.
_____X

**AFFIDAVIT PURSUANT TO
LOCAL BANKRUPTCY RULE 1007-2**

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Michael Schatzberg, being duly sworn, deposes and says:

1. I am the managing member of Columbia Organic Holdings LLC (the "Debtor") and as such I am fully familiar with the Debtor's business, financial information, and the facts set forth herein. I have been duly authorized to submit this affidavit, which is hereby submitted pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York.

2. On June 16, 2010, the Debtor filed a voluntary Petition for relief under Chapter 11 of the Bankruptcy Code. The Debtor is an organic take-out restaurant.

3. The circumstances leading to the filing of the Debtor's Petition under chapter 11 of the Bankruptcy Code was precipitated by a general decline in the sales of organic food due to the nation's broad economic downturn.

4. No prior case has been commenced by or against the Debtor under either chapters 7 or 13 of the Bankruptcy Code.

5. Upon information and belief, as of the date hereof, there has not been a formation of a committee of unsecured creditors.

6. Pursuant to LBR 1007-2(a)(4), a list containing the names and addresses of what I believe to be the twenty largest unsecured creditors, excluding insiders, have been filed with the

Debtor's Chapter 11 Petition.

7. Pursuant to LBR 1007-2(a)(5), the holders of the five largest secured creditors will be set forth in Schedule D to the Chapter 11 Petition within fourteen days of the chapter 11 filing.

8. Pursuant to LBR 1007-2(a)(6), an approximate summary of Debtor's assets and liabilities will be set forth in Schedules B, D, E and F to the Chapter 11 Petition within fourteen days of the chapter 11 filing. The Debtor has no securities that are publicly held. The Debtor is a privately held corporation.

9. LBR 1007-2(a)(7) is not applicable.

10. Pursuant to LBR 1007-2(a)(8), to the best of my knowledge, there is no property of Debtor in the possession of any public officer, receiver, trustee, pledge, assignee of rents, liquidator, secured creditor, or agent of any such person.

11. Pursuant to LBR 1007-2(a)(9), the Debtor leases the premises located at 18 West 45th Street, New York, New York 10036.

12. Pursuant to LBR 1007-2(a)(10), all of the Debtor's assets, books and records are maintained by Michael Schatzberg at 18 West 45th Street, New York, New York 10036.

13. Pursuant to LBR 1007-2(a)(11), the name and present status of each action or proceeding, pending or threatened against the Debtor are as follows:

(i) Commissioners of the State Insurance Fund v. Columbia Organic Holdings LLC (Index No: CV-018086-10/KI) (Kings County Civil Court). This is an action involving unpaid workers' compensation payments which were paid.

(ii) Bags On The Net v. Freefoods New York LLC, Columbia Organic Holdings LLC (Index No: CV-005254-09/NY) (New York County Civil Court). This is an action

by a vendor.

(iii) Donnelly Mechanical Corp. v. Columbia Holdings LLC dba Freefoods (Index No: CV-040475-09/NY) (New York County Civil Court). This is an action by a creditor.

(iv) DownEast Seafood, Inc. v. Columbia Organic Holdings LLC, dba Freefoods NYC, Peter Schatzberg (Index No: CV-048409-10/NY) (New York County Civil Court). This is an action by a vendor.

(v) Rollo Mio, LLC, dba Rollo Mio Bakery v. Columbia Organic Holdings LLC, dba Free Foods (Index No: CV-065434-09/QU) (Queens County Civil Court). This is an action by a vendor.

(vi) Friedlander Group. Inc. v. Columbia Organic Holdings LLC, dba Free Foods (Index No: CV-098562-09/QU) (Queens County Civil Court). This is an action by an insurance broker.

(vii) The London Meat Co. v. Columbia Organic Holdings LLC, dba Free Foods NYC (Index No: CV-113458-09/QU) (Queens County Civil Court). This is an action by a vendor

14. Pursuant to LBR 1007-2(a)(12), the Debtor's existing senior management consists of Managing Member, Michael Schatzberg who is responsible for all day to day operations.


15. Pursuant to LBR 1007-2(b)(1), the estimated amount of the weekly payroll to employees for the 30 day period following the filing of the petition is \$8,500.00 per week.

16. LBR 1007-2(b)(2) is not applicable.

17. It is the Debtor's intention to file a plan of reorganization providing any payments to be made to creditors over time. Pursuant to 1007-2(b)(3), my estimated cash receipts were \$116,000.00 and my estimated disbursements were \$112,000.00 which resulted in a net gain of

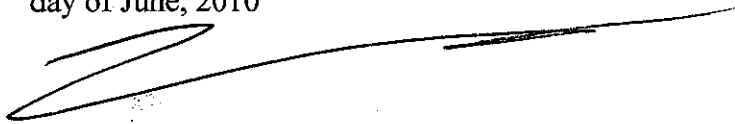
\$4,000.00.

18. I believe that under the supervision of the bankruptcy court the Debtor will be able to pay its creditors more than they would receive if it went through a forced chapter 7 liquidation.



Michael Schatzberg

Sworn to before me this 16th
day of June, 2010



Lawrence Morrison, Notary Public
State of New York
No. 02m06059654
Commission Expires 7/28/2011